

Assembly Bill No. 521

CHAPTER 448

An act to add Section 857 to the Public Utilities Code, relating to utility property.

[Approved by Governor October 11, 2009. Filed with
Secretary of State October 11, 2009.]

LEGISLATIVE COUNSEL'S DIGEST

AB 521, De La Torre. Utility property: leases for park purposes.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities. Under the existing Public Utilities Act, a public utility is required to seek commission approval prior to selling, leasing, assigning, mortgaging, or otherwise disposing of or encumbering any property necessary or useful in the performance of its duties to the public.

This bill would authorize a public utility that owns real property acquired for purposes of obtaining a utility right-of-way, to lease that property to a governmental entity for purposes of a public park, if the utility will retain the use of the right-of-way for public utility purposes. The bill would require the commission, in determining whether the lease is for fair value, to include the community benefits, as defined, of parks and open space as a benefit to ratepayers.

The people of the State of California do enact as follows:

SECTION 1. Section 857 is added to the Public Utilities Code, to read:

857. (a) A public utility that owns real property acquired for purposes of obtaining a utility right-of-way, may lease that property to a governmental entity for purposes of a public park, if the utility retains the use of the right-of-way for public utility purposes.

(b) In determining whether a lease of real property to a governmental entity for park purposes is for fair value, the commission shall include the community benefits of parks and open space as a benefit to ratepayers.

(c) As used in this section, "community benefits" include, but are not limited to, improving public health, protecting the environment, and increasing recreational assets.

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